BRITISH COLUMBIA
FERRY CORPORATION

Annual Report
1982/83

BRITISH COLUMBIA
FERRY CORPORATION

THE HONOURABLE HENRY P. BELL-IRVING, D.S.O., O.B.E., E.D.,
Lieutenant-Governor of the Province of British Columbia.

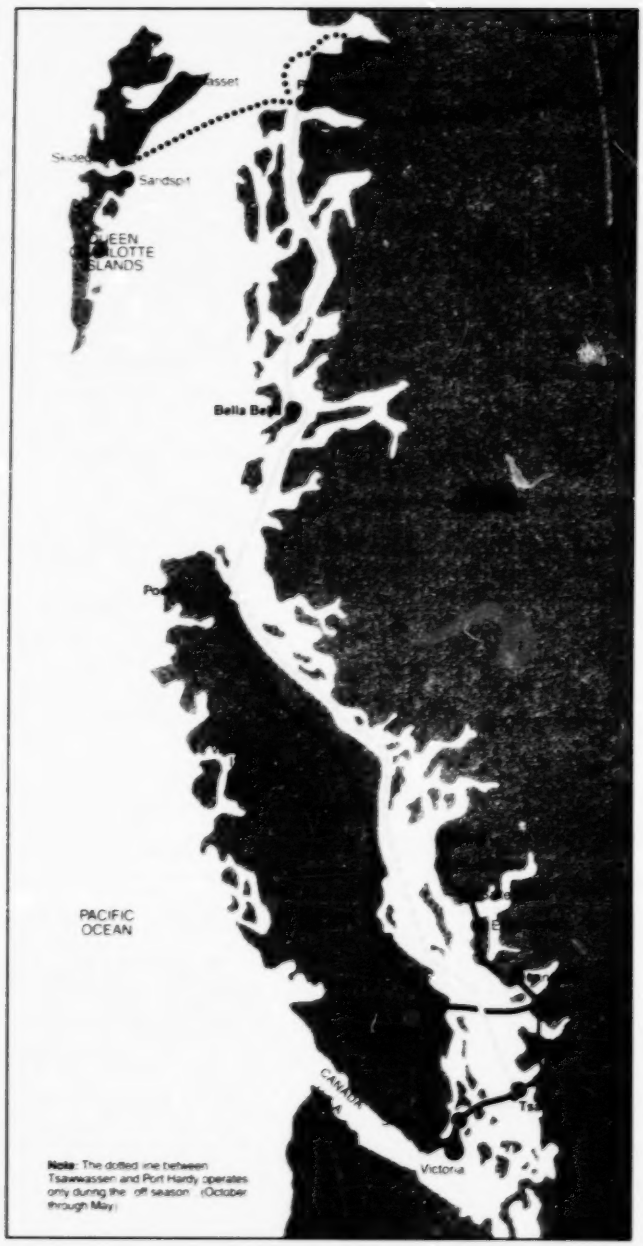
MAY IT PLEASE YOUR HONOUR:

I respectfully submit herewith the Annual Report of the British Columbia Ferry Corporation for the fiscal year ended March 31, 1983 in compliance with the provisions of the Ferry Corporation Act.

ALEX V. FRASER
Minister of Transportation and Highways

June 29, 1983.

BRITISH COLUMBIA
FERRY CORPORATION


Sandspit
PACIFIC
OCEAN
Victoria
Note: The dotted line between Tsawwassen and Port Hardy operates only during the off season (October through May)

BRITISH COLUMBIA
FERRY CORPORATION

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BRITISH COLUMBIA
FERRY CORPORATION

HIGHLIGHTS OF YEAR

1. Effective with the outset of the fiscal period a decision was made by the shareholder - the Government of the Province of British Columbia - to reduce the subsidy from an anticipated $66.9 million, based upon the Highway Equivalent formula. Thereafter the subsidy amount is to be decided by annual review and for the 1982/83 fiscal period was set at $43 million, a reduction of $23.9 million below projections.

2. As a result of the reduction in income, a decision was made by the Corporation to utilize its borrowing powers under the Act, to cover capital projects, amortizing the payments over an extended period.

3. As a result of the recession, both vehicle and passenger traffic was significantly below projections resulting in major reductions of toll booth revenues - the Corporation's principal source of income.

4. The Board and the management of the Corporation responded to the financial constraints through the implementation of more efficient scheduling, improved fuel management policies and better use of labour by improved manning with the result that the income from operations and subsidy showed a surplus of $714,000 before depreciation.

(Expressed in thousands)

	1982/83	1981/82	Change
Operating Revenue - Net	$101,800	$102,635	-0.8%
Operating Expenses	139,013	133,856	+3.9%
Operating Loss before Subsidy	37,213	31,221	+19.2%
Income before Depreciation	714	26,777	-97.3%
Working Capital Deficiency	37,506	11,495	N/A
Statistics			
Traffic - Vehicles	4,463	4,713	-5.3%
- Passengers	12,275	12,764	-3.8%

BRITISH COLUMBIA
FERRY CORPORATION

DIRECTORS

Mr. Stuart Hodgson, (1)
Chairman and Chief
Executive Officer,
British Columbia Ferry Corporation.

Hon. A.V. Fraser,
Minister, Transportation & Highways,
Province of British Columbia.

Mr. J.A. Clarke, (2) (4)
Consultant.

Mr. W.A. Duncan (2)
Retired.

Dr. W.B.M. Hick (1) (2)
Physician & Surgeon.

Mr. A.L. Michaud (1) (4)
President,
Michaud Investments

Mr. J.K. Sorko (3) (4)
Retired

Mr. R. Wright (1) (3)
President,
Oak Bay Marina Ltd.

Mr. M. Young (3)
Barrister & Solicitor

(1) Member - Executive Committee
(2) Member - Finance Committee
(3) Member - Planning Committee
(4) Member - Audit Committee

OFFICERS

Mr. Stuart Hodgson (1)
Chief Executive Officer.

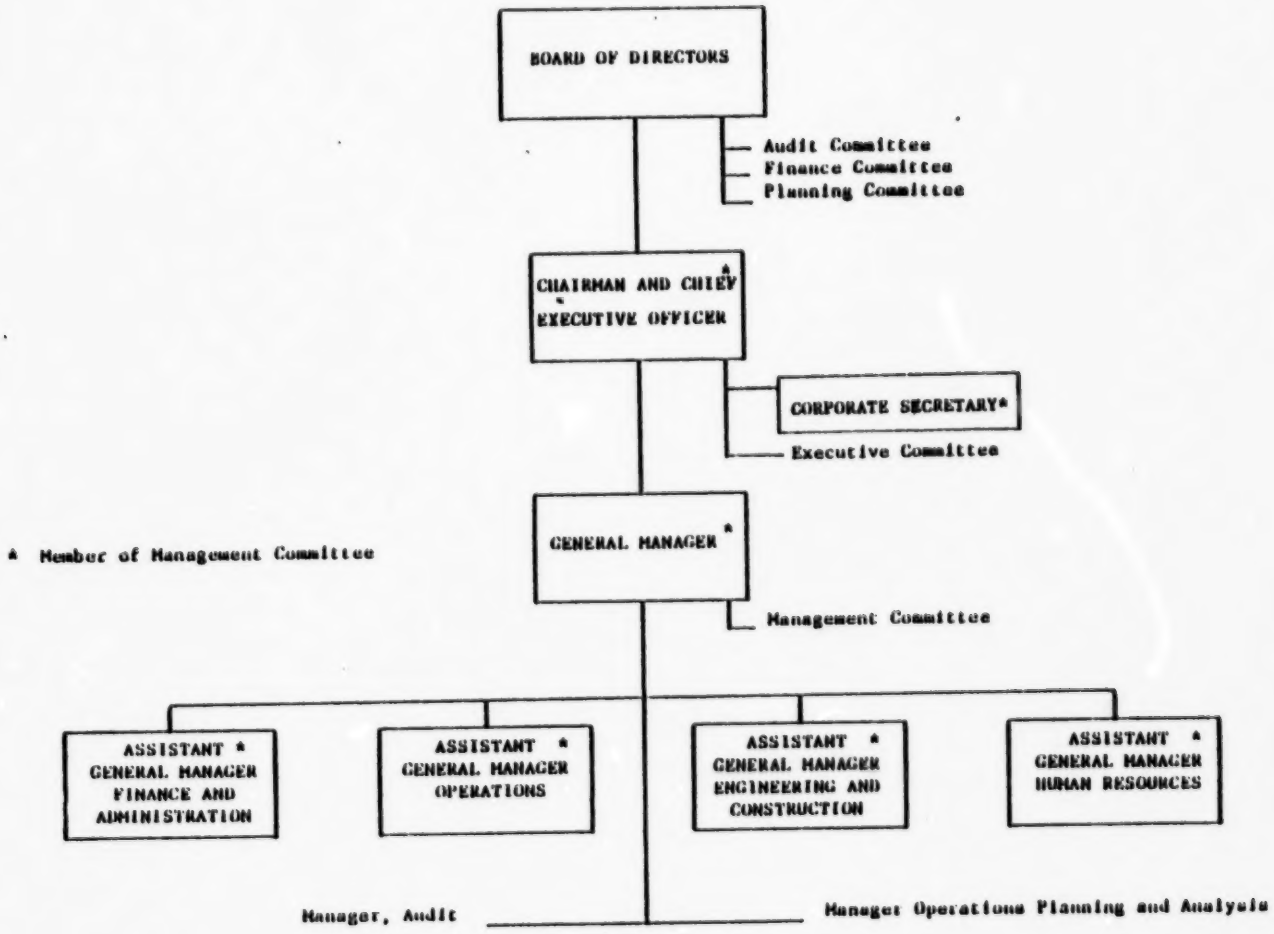
Mr. G. Baldwin (1)
General Manager
Chief Operations Officer

Mr. J.J. Estock (1)
Assistant General Manager
Finance & Administration

Mr. A.S. Lukinuk (1)
Secretary

Mr. K. Bagshaw
Corporate Counsel

ORGANIZATION STRUCTURE



BRITISH COLUMBIA
FERRY CORPORATION

THE HONOURABLE ALEX V. FRASER
Minister of Transportation & Highways

1982 has been the most challenging year since the inception of the service in 1960. The worst recession in fifty years made its impact on all classifications of traffic, particularly commercial freight and related business traffic. Decreases in all sources of revenue and earnings accompanied by increases in operating expenses has called for the highest level of commitment and efficiency supported by imaginative operational planning.

The recession also had its impact on the revenues of the Provincial Government: At the outset of the year the Corporation was notified by the Government of British Columbia that the subsidy paid to the Corporation which had been projected at $66.9 million (based upon the previously existing Highway Equivalent formula) would be set for the year at $43 million, or some $23.9 million below anticipation. This major reduction in income was subsequently compounded by decreases in toll-booth revenue and major increases in labour and fuel costs.

Traffic was markedly down in 1982 as evidenced by a reduction in passenger demand of almost one half million (12,275,466 in 1982/83 versus 12,763,664 in 1981/82) and a corresponding vehicle decline of one quarter of a million units (4,462,731 in 1982/83 versus 4,712,951 in 1981/82.)

The Board and the management of the Corporation responded to the recessionary impact through the implementation of more efficient scheduling, improved fuel management policies and better use of labour through improved manning.

The application of those policies resulted in savings in all aspects of the operation:

> Rescheduling was the major factor in achieving savings whilst still meeting the Corporation's commitment to the travelling public. While the total number of sailings was reduced as a commitment to more cost-efficient scheduling and in line with reduced demand, the number of overloads at terminals came down as well.
>
> Regrettably the demand for labour efficiencies resulted in the necessity of lay-off status for 400 casual and part-time positions. All regular employee positions and casual employees who had Group 1 status prior to October 1, 1982 were retained.

Fuel management policies resulted in a total-year cost to the Corporation which was 3.5% less than the 1981/82 year in spite of an increase in the unit cost of fuel greater than 10%.

In the coming year the Corporation will consolidate the progress made in 1982 in cost controls while, at the same time, maintaining sufficient reserves to meet its commitment of service. It is hoped that the slight yet hopeful signs of economic recovery now on the horizon will lead to a marginal return of traffic to previous levels which when coupled with planned 1983 tariff adjustments will provide some assistance in much needed revenue increases. Notwithstanding this combination of events, the Corporation will have to continue to borrow money for its capital requirements so that the system can continue to meet its service commitments.

On behalf of the Board

S. M. Hodgson

Stuart M. Hodgson
Chairman of the Board
and Chief Executive Officer

GENERAL MANAGER'S REPORT

In contrast to the continued growth in traffic which has been the standard for the B.C. Ferry System for more than twenty years, the traffic volume actually declined in the fiscal period. In the same period, fuel prices increased by more than 10% and wage rates increased by 14% in accordance with the August 1981 collective agreement. In spite of the impact on costs, it was still necessary to complete a number of major capital projects during the year involving both ships and terminals. The projects which were undertaken, however, were only those which were proven cost-efficient in terms of reducing time - either in terminal traffic loading or in crossing speed - or were necessary to conform with safety or other operational requirements. This approach to total cost efficiency was the governing factor in all divisions from Operations to Finance and all resource departments.

OPERATIONS

At the beginning of the fiscal period, a management task force was convened to address the constraints imposed by reduced earnings and the major decrease in Provincial subsidy and to make recommendations aimed at greater efficiencies in all aspects of operations and administration.

As the one area most responsive to cost-escalation or, conversely, to the imposition of restraint, management's attention was concentrated upon the day-to-day operations of the fleet and the terminals .

In order to create new efficiencies based upon cost control it was first necessary to measure the existing efficiency of each route or region served by the Corporation. Each problem identified could then be addressed. Highlights of that route-by-route analysis and the subsequent action taken is as follows:

Regions

Route #1 Tsawwassen to Swartz Bay

As the premier route in terms of its percentage of traffic carried, Route #1 reflected most heavily the downturn (in total numbers) in both vehicles and passengers with the result that vehicles declined by 4.5% and passengers by 5.4%. In balance, however, the route continued to provide the largest contribution to earnings, having the distinction of the only route to show a surplus of revenue over cost.

In response to both restraint and lowered traffic demands, the total number of daily sailings was reduced in the off-season to an average of eight in each direction from the previous year's level of twelve.

Physical plant was upgraded in both ships and terminals with the lifting, and insertion of a further car deck on the Queens of Saanich and Esquimalt and the re-engining of these vessels. In addition, modifications were made to improve manoeuvreability of these ships. Major modifications were completed at Tsawwassen terminal to passenger walkways and to docks 3 & 4 as the most recent phase of a programme aimed at achieving greater passenger convenience on shore and improved lift-off capacity and fuel efficiency at sea.

Route #2 Horseshoe Bay to Departure Bay

As with Route #1, traffic on this route declined but was at the same time sufficient to close out the year with a minimal operating deficit of $2.0 million (5.5% of operating cost). Operationally, no changes were made to the assignment of ships, but work commenced at Departure Bay on passenger facilities and at Horseshoe Bay on double decking of Docks 2 & 3. As with Route #1, and reflecting the imposition of restraint, the total number of sailings was marginally reduced during the low-traffic season which resulted in eight sailings per day in each direction down from the previous year's level of twelve. Since, however, the traffic demand was less as a result of the recession, the impact on system users was not significant.

A major incident in August, 1982 involving the Queen of Surrey resulted in damage to berth # 1 of $500,000. Combined with the grounding of the Queen of Prince Rupert in the same month (see North Coast services) the incident was instrumental in the formation of a committee of the board to examine and change where necessary, all incident reporting and investigative procedures.

The Sunshine Coast Services

In spite of major changes aimed at improved efficiencies on Route #3, the Sunshine Coast operations continued to show the largest single deficit in the system.

This is attributable to the comparatively sophisticated ships and terminals at the southern end of the region required to adequately service the periodic-and sometimes extreme-peaking of traffic encountered in the area which contrasts with the daily norm of very-low traffic demand. As a result the operating deficit was $9.9 million before depreciation and $13.8 million after depreciation.

(a) Route #3 Horseshoe Bay to Langdale

This segment of the Sunshine Coast services underwent the greatest operational change with the introduction of the C-class vessel the Queen of Coquitlam in June, 1982, to replace the Queens of New Westminster and Burnaby. This operational change permitted a much better match between the capacity and the traffic demand due to its ability to carry 350 vehicles, versus the smaller ships' 192.

C-Class ships (Queens of Coquitlam and Alberni) assigned to Route 3 in June 1982 resulted in a number of complaints being received from Howe Sound residents regarding excessive wave action causing damage to shoreline property. On-site surveys were carried out. Masters were instructed to make trial runs at reduced speeds and on modified tracks, and the Corporation commissioned Western Canada Hydraulic Laboratories to carry out a wave study at six locations. In September 1982 B.C.F.C. officials toured Howe Sound to meet with the residents in the area concerned. Operating the C-Class ships, on the modified track at reduced speed, was considered the most feasible solution. Collaboration with the community proved most successful in resolving the problem and is one example of the Corporation's attempt to constantly improve its community relations.

The assignment of the more efficient C-Class vessel replacing the two smaller stretch vessels became the target of an outspoken minority within the community who objected to the decrease in frequency of sailings. In order to address their concerns and better explain the Corporation's constraints several meetings took place between community spokespersons and members of senior management under the good offices of the Mayor of Gibsons.

(b) Route #7 Earls Cove to Saltery Bay

The northern segment of the route (Earls Cove to Saltery Bay) had no significant operational changes during the year. Vehicular traffic, however, was down from 82,000 to 75,000, reflecting the recessionary impact on forestry, and other resource industries in the region.

The Gulf Islands

In view of the operating economics of the Islands' services, much attention was focused - and continues to be focused - upon this region. As a result of schedule reductions, which in turn reduced fuel and labour costs, the 1982-83 operating loss was actually lowered to $9.9 million before depreciation and $13.6 million after depreciation, an improvement of $794,000 in the first figure and $758,000 in the second when measured against 1982.

In spite of the necessary service reductions, community relations were actually improved due to a greater consultation between the schedule-planning services of the Operations Department and the representatives of the Gulf Islands Transportation Committee.

North Coast Services

As with all routes, traffic on the northern services declined in 1982. The downturn resulted from both the decline in resource-based activity of the region, as well as in the visitor industry, the latter category of traffic reflecting the overall nation-wide dip in tourism.

The only structural change in the route occurred with the suspension in March 31, 1983 of services to Ocean Falls by B.C. Ferries in favour of freighter services by Coast Ferries Ltd. under contract. The change was necessitated by a continuing decline in the population of the coastal community from its previous high of several thousand down to the present population of less than one hundred.

A major incident occurred in August of 1982 with the grounding of the Queen of Prince Rupert in Gunboat Passage, southwest of Ocean Falls. The incident resulted in repairs to the ship and associated costs totalling $500,000 and the withdrawal of the ship from service for the remainder of the year.

As a result of this incident, a special committee of the board was struck to examine, and change where necessary, the internal procedures for the reporting, and procedural guidelines to be followed, in all future incidents.

Following the disabling of the Queen of Prince Rupert, the Queen of the North continued to maintain the services to the region including the crossing of Hecate Straits from Prince Rupert to Skidegate in the Queen Charlotte Islands.

In March the Chairman of the Board, accompanied by the General Manager and other management staff, travelled to the region to meet with community representatives in Bella Bella and Ocean Falls to discuss transportation alternatives and other related community concerns.

In addition to the mainline services provided by B.C. Ferries' ships, the Corporation continued by way of charter to subsidize passenger operations to Kincolith and Port Simpson via private operators and, on the same basis, provided vehicle-only barge services to Masset in the Queen Charlotte Islands, in addition to the one-year arrangement with Coast Ferries to service Ocean Falls.

The uniqueness of the North Coast route demands the most sophisticated vessels in the fleet due to a variety of factors, including trip-length and potential weather conditions and sea-states. As a result, the economics of this area continued to show major operating deficits in spite of strict application of efficiencies and cost-controls. The 1982-83 deficit was $10,380,000 before depreciation and $14,362,000 after.

Departments

ENGINEERING

The major engineering project in 1982 was the programme to improve overall lift-off capacity and efficiency of the M.V. Queens of Saanich and Esquimalt. Modifications included lifting of the vessels to provide another car deck and installation of retractable platform decks, thereby raising their capacity from 192 to 376, re-engining to the more efficient MAK diesels and fitting of innovative 'skewed' propellers. Both vessels re-entered service on Route 1 - Tsawwassen to Swartz Bay - in June 1982, with their new greatly enlarged capacity and improved operating efficiencies.

The M.V. Queen of Tsawwassen, one of the two original vessels in the 1960 fleet, was this year fitted with a bow thruster, a device which improves low-speed manoeuvreability in docking procedures.

CATERING

1982 was a difficult year due to declines in traffic with its attendant decline in food and newsstand sales. A change of supplier and more aggressive marketing of the newsstand operation led to increased profits.

Opening in the fall of 1982, the Catering Department's Test Kitchen at Tsawwassen has led to advances in overall fleet quality control and accelerated menu and packaging innovations.

Cost control efforts have produced modest improvements in gross profit production and a major change in overall expense controls.

LABOUR RELATIONS

The collective agreement, which was negotiated with the British Columbia Ferry and Marine Workers' Union prior to August 1, 1981 for a twenty seven month period, remained in force. Entering the second year of the agreement on August 1, 1982, wages increased 14% in accordance with the agreement.

Reasonably good relations with the Union remained throughout the year in spite of a one-day, third party strike on August 6, 1982, when the terminals at Tsawwassen, Swartz Bay, Departure Bay and Horseshoe Bay were picketed by members of the BCGEU who were in negotiations at that time with the Province of British Columbia. Since the members of the B.C. Ferry & Marine Workers' Union refused to cross the picket line, the result of that action was the suspension of services on all major routes for a one-day period. Some minor routes, however, maintained services where their ports of call were not picketed.

Unfortunately prior media speculation and coverage of the event itself created a state of wariness on the part of the travelling public both before and after the strike resulting in a major reduction of traffic and subsequent loss of revenues. By the time traffic patterns had recovered, losses to the Corporation equaled one million dollars.

As a reflection of the overall healthy labour relations with the Union, 1982/83 saw only one arbitration.

PERSONNEL

In order to achieve the Corporation's financial goals, it became necessary to place on lay-off status some 400 casual and part-time employees. All regular employee positions and casual employees who had Group 1 status prior to August 31, 1982 were retained. The exceptions were a number of positions - both staff and management - which remained vacant through attrition. Reflecting an active commitment to a policy of restraint, the total permanent strength of the Corporation at year end was 2127 down from the 1981 level of 2400.

Training programmes for the development and improvement of occupational skills required within the Corporation continued through the year. These on-going programmes are necessary to maintain the reliability and safety of the operation and, for many occupations, such training is a requirement of law.

COMMUNICATIONS

As part of the overall strategy aimed at offsetting the deficits in the North Coast operations, the Communications Department continued to aggressively market off-season travel of the inside passage through co-operation with wholesale and retail travel agents and mutual-interest transportation agencies.

A fully computerized reservation system went into effect to service North Coast reservations on February 28, 1983. Located at the central information office in downtown Vancouver, the new service extends the existing computer network, allowing access for reservations and ticket printing to the major terminals at Port Hardy, Prince Rupert, Skidegate and Tsawwassen.

The reservations centre, which handles the Gulf Islands system as well as the North Coast, is capable of dealing with over 100,000 requests in a peak month. As an added passenger convenience, B.C. Ferries introduced recorded schedule information available on a 24 hour toll-free basis for callers in Southwestern B.C.

Miscellaneous

Communications Workshop December 1982

One of the important management objectives for 1982 included the consolidation of steadily improving internal communications. B.C. Ferries is fortunate that as one of the world's larger marine transportation agencies the majority of our employees are highly trained professionals. To utilize that professionalism while pursuing the goal of improved internal communications the Corporation held the first of an intended annual series of Workshops involving representatives of all ranks from Captains to clerks, along with junior, mid and senior management and representatives of the B.C. Ferry and Marine Workers' Union. Many aspects of the fleet were explored in a series of frank discussions aimed at finding new efficiencies along with cost-efficient improvements in services to the travelling public.

Stand-by Fleet

As a result of the equipment-planning and cost-control policies, management was in a position to designate a number of vessels as temporarily surplus to current requirements. In all, five ships were placed in this category through the summer period and a total of nine ships through the remainder of the year.

Several of these vessels were maintained in a general state of readiness as relief vessels during the annual re-fit programme and as required to either supplement or replace ships in active service.

FINANCE

OPERATING RESULTS

In the year ended March 31, 1983 the Corporation earned operating revenues of $110.7 million. In comparison, revenue of the prior year was $112.2 million. The decrease of $1.5 million or 1.3% resulted from a decline in catering revenues and investment income offset by an increase in toll revenues.

Toll revenues for the year ended March 31, 1983 increased by $1.2 million or 1.4% compared to the prior year. Tariff changes November 1, 1982 contributed $5.3 million while the decrease of 3.8% in passenger traffic and 5.3% in vehicle traffic reduced toll revenues by $4.1 million.

	Percentage Change	Year ended March 31 1983	1982
TRAFFIC STATISTICS			
Passengers	- 3.8	12,275,466	12,763,664
Vehicles	- 5.3	4,462,731	4,712,951
TOLL REVENUES			
Passengers	- 3.2	$31,304,798	$32,335,893
Vehicles	4.2	55,355,136	53,127,337
		$86,659,934	$85,463,230

While total vehicle traffic for the year was down 5.3% from 1981/82 an analysis by vehicle type showed passenger vehicles decreased 4.7% while commercial vehicles including buses decreased 10.5%.

Gross catering revenues of $22.7 million decreased 3.1% compared to the prior year which is in line with the decline of 3.8% in passenger traffic. The cost of food and goods merchandised by the Catering Department was $8.9 million, down 7.1% from the previous year. The resulting margin from catering services was 60.9% of gross catering revenues; this is an increase from 59.2% for the prior year.

Operating costs for the year of $139.0 million were up $5.1 million or 3.9% from $133.9 million during the prior year. Of the total increase in operating costs, the most significant increases are $3.3 million in salaries, wages and employment related benefits and $3.7 million in contracted replacements, repairs and maintenance. The increase in salaries and benefits of $3.3 million, or 4.5%, compared to the prior year, is due to increases in pay rates under the union agreement of August 1, 1981 offset by a reduction of the number of auxiliary employees on staff. Contracted replacements, repairs and maintenance of $15.4 million increased $3.7 million or 31.9% from the prior year and includes $1.6 million of costs related to the grounding of the M.V. "Queen of Prince Rupert", dock damage at Horseshoe Bay, storm damage at Tsawwassen and extraordinary repairs to "C" class ships and also includes $2.0 million provision for replacement of engine bed plates. Reflecting the efficency of new cost-control procedures, expenditure for fuel and lubricants decreased 3.5% or $1.0 million compared to the corresponding period one year ago and is due to savings in consumption.

Non-operating expenses and extraordinary item for the year totalled $41.7 million up $14.8 million or 54.7% from $27.0 million during the prior year. Depreciation and amortization of $34.7 million increased 33.1% from $26.1 million due to the new and modified ships and improved terminals. Interest expense of $5.1 million results from the March 5, 1982 debt issue, short-term notes payable and the overdraft of the Corporation's bank accounts. Extraordinary item charged against income was the write-off of $2.0 million due from B.C. Steamship Company (1975) Ltd.

The Annual Highway Equivalent Subsidy of $43.0 million for Fiscal 1982/83, down $15.9 million or 27.0% from 1981/82, was received in monthly instalments.

The Corporation realized "Income before Depreciation and Extraordinary Item" of $0.7 million for the year compared to $26.8 million for the prior year. This break even position which represents a major reduction from the previous year is a reflection of the Corporation's reduced earnings and partial loss of subsidy.

During 1982/83 the Corporation expended $26.8 million on capital projects. Of this amount $15.8 million was spent on completion of the enlargement of four ferries from 192-car capacity to 284 to 400-car capacity. Upper level loading ramps required to accommodate the double-decked ships were completed at Departure Bay, Swartz Bay and Tsawwassen at a cost of $7.2 million. In addition, $2.3 million was spent on construction of additional upper level loading ramps at Horseshoe Bay. It is estimated that an additional $4.0 million will be required to complete these ramps.

The Corporation has sufficient lift-off capacity to meet demand for several years with its existing physical plant. High fuel prices and weakness in the United States and Canadian economies have moderated growth in demand for ferry services. In addition, the capacity gained from the two new ships and modifications to the four older ships has also expanded the Corporation's ability to meet future demand. The Corporation continues to study options for accommodating increased traffic, in preparation for possible growth in demand beyond current capacity.

THE OUTLOOK: 1983/84

In emerging from a challenging year, the immediate future shows some hopeful signs: inflation appears to have come down to levels which are at least manageable, if not yet desirable. As a direct result the cost of money is down considerably from the same time a year ago. On a cautionary note, both factors may well face an upward trend again in 1984 although most predictions do not call for a return to double digit inflation and its corresponding impact on borrowing rates.

By the same token, the world price of fuel appears to have stabilized, at least temporarily, a factor which represents 20.4% percent of our 1982 operating expenses. In Canada, however, oil prices will continue to rise albeit at a considerably lower rate than in 1982.

Possible increases in labour costs remains an unknown factor as the existing Union contract will expire in October of 1983.

Traffic, which was markedly down in 1982 almost one half million passengers and one quarter of a million vehicles, has not yet shown signs of return. Current projections call for an end to the decline and a "flattening" of the traffic in the latter half of 1983.

The biggest challenge facing the Corporation is not operational - due to its first-class equipment and resources. The major problems relate to (a) finance and (b) the efficient use of labour and its cost (1982/83, 56.4% of operating expenses). On the financial side the Corporation faces the question of its ability to continue to meet its commitment of service without the aid of meaningful tariff increases at regular intervals. The alternative is to face necessary borrowings for capital and operating expenses with their associated debt servicing costs leading in turn to potential service reductions. On the use and cost of labour, the Corporation must effectively address the question of scheduled overtime, both from the point of existing banked overtime with its attendant cost, and current overtime practices which are not realistic within a maritime transportation industry.

Relating to the question of labour relations, the problems of third party picketing which is not of the making of the B.C.F. & M.W.U., must be addressed since it has in the past, and can in the future effectively halt operations.

Inflation

While the rate of inflation, as measured by the Consumer Price Index, has moderated to 6.7% for the year ended, fuel prices are anticipated to increase 11.3% over the ensuing year. As fuel costs represent approximately 20.4% of operating expenses, increases will continue to have a significant impact on the operating costs of the Corporation.

Financing

During the fiscal period 1982-83, the Corporation borrowed $30 million against Promissory Notes maturing August 26, 1983. It will require an additional $20 million before March 31, 1984.

The Corporation will borrow on a long-term basis at a time when the financial market is favourable for Capital Funding. In the interim it will utilize its line of credit.

A long-term rate lease-back transaction is the most cost-effective method of funding. However, the market in Canada is limited and accordingly is not readily available. This method of funding is sometimes perceived as a selling-off of assets. Realistically a lease-back with an option to purchase is synonymous with the encumbering of an asset for a definite term.

Since the inception of the service against a great many odds in 1960, B.C. Ferries has always possessed an optimistic outlook - an attitude much required today as the people of British Columbia apply their energies to recovery. As a major force in the transportation of goods, services and people in British Columbia, B.C. Ferries will continue to play a role in the important process of recovery while maintaining financial vigilance and dedication to service.

General Manager and Chief Operations Officer

THORNE
RIDDELL
Chartered Accountants

AUDITORS' REPORT

To the Lieutenant-Governor in Council
Province of British Columbia

We have examined the balance sheet of British Columbia Ferry Corporation as at March 31, 1983 and the statements of income, accumulated income reinvested in corporation assets and changes in financial position for the year then ended. Our examination was made in accordance with generally accepted auditing standards, and accordingly included such tests and other procedures as we considered necessary in the circumstances.

In our opinion, these financial statements present fairly the financial position of the Corporation as at March 31, 1983 and the results of its operations and the changes in its financial position for the year then ended in accordance with generally accepted accounting principles applied on a basis consistent with that of the preceding year.

The 1982 comparative figures are based on financial statements reported upon by other auditors.

Thorne Riddell

Chartered Accountants

Victoria, Canada
May 20, 1983

BRITISH COLUMBIA
FERRY CORPORATION

BRITISH COLUMBIA FERRY CORPORATION

FINANCIAL STATEMENTS

YEAR ENDED MARCH 31, 1983

BRITISH COLUMBIA
FERRY CORPORATION

STATEMENT OF INCOME

YEAR ENDED MARCH 31, 1983

(expressed in thousands)

	1983	1982
Operating revenues		
Tolls	$ 86,660	$ 85,463
Catering	22,707	23,441
Other income, net (Note 10)	1,322	3,295
	110,689	112,199
Less cost of food and goods sold	8,889	9,564
	101,800	102,635
Operating expenses		
Salaries, wages and benefits	78,386	75,045
Fuel and lubricants	28,315	29,338
Contracted replacements, repairs and maintenance	15,435	11,705
Materials, operating supplies and services	10,853	11,845
Marketing, general and administrative	3,398	3,646
Charter fees	2,626	2,277
	139,013	133,856
Operating loss before subsidy	37,213	31,221
Province of British Columbia subsidy (Note 11)	43,000	58,891
Income from operations	5,787	27,670
Interest expense (Note 12)	5,073	893
INCOME BEFORE DEPRECIATION AND EXTRAORDINARY ITEM	714	26,777
Depreciation	34,724	26,087
Extraordinary item		
Write-off receivable from British Columbia Steamship Company (1975) Ltd.	1,951	-
	36,675	26,087
NET INCOME (LOSS) AFTER DEPRECIATION AND EXTRAORDINARY ITEM	$(35,961)	$ 690

BRITISH COLUMBIA FERRY CORPORATION

BALANCE SHEET AS AT MARCH 31, 1983

(expressed in thousands)

ASSETS

	1983	1982
CURRENT ASSETS		
Cash (Note 1)	$ 3,699	$ 3,264
Accounts receivable (Note 2)	609	2,965
Inventories (Note 3)	8,510	8,651
Prepayments and deposits (Note 4)	2,125	1,490
Sinking fund for long-term debt	-	12,651
	14,943	29,021
RESERVED FUNDS (Note 5)	5,680	5,445
FIXED ASSETS (Note 6)		
Ships, berths, buildings, equipment and land	459,006	434,101
Less accumulated depreciation	144,259	110,750
	314,747	323,351
	$ 335,370	$ 357,817

APPROVED BY THE BOARD

"J.K. Sorko"
Director

"W.A. Duncan"
Director

LIABILITIES

	1983	1982
CURRENT LIABILITIES		
Notes payable (Note 7)	$ 30,000	$ -
Accounts payable and accrued liabilities	20,805	27,717
Deferred revenue	1,644	872
Current portion of long-term debt (Note 8)	-	11,927
	52,449	40,516
LONG-TERM DEBT (Note 8)	20,428	19,789
ACCRUED SICK LEAVE LIABILITY (Note 9)	5,680	4,292
SELF INSURANCE FUND	-	1,153
	78,557	65,750

SHAREHOLDER'S EQUITY

SHARE CAPITAL		
Authorized		
1,000,000 shares without par value with a maximum consideration of $100,000,000		
Issued		
58,497 shares	5,850	5,850
EXCESS OF APPRAISED VALUE OF FIXED ASSETS OVER ASSIGNED VALUE ON ACQUISITION	249,674	249,674
ACCUMULATED INCOME REINVESTED IN CORPORATION ASSETS	1,289	36,543
	256,813	292,067
Commitments (Note 13)		
	$ 335,370	$ 357,817

BRITISH COLUMBIA
FERRY CORPORATION

STATEMENT OF ACCUMULATED INCOME
REINVESTED IN CORPORATION ASSETS
YEAR ENDED MARCH 31, 1983
(expressed in thousands)

	1983	1982
Accumulated income reinvested in corporation assets at beginning of year	$ 36,543	$ 39,179
Net income (loss) for the year after depreciation and extrordinary item	(35,961)	690
Prior years' self-insurance fund provision	1,153	-
Payment to Province of British Columbia of excess of sinking fund assets over related long-term debt obligations	(446)	(3,326)
ACCUMULATED INCOME REINVESTED IN CORPORATION ASSETS AT END OF YEAR	$ 1,289	$ 36,543

BRITISH COLUMBIA
FERRY CORPORATION

STATEMENT OF CHANGES IN FINANCIAL POSITION

YEAR ENDED MARCH 31, 1983

(expressed in thousands)

	1983	1982
Working capital derived from:		
Operations		
Net income (loss) for the year after depreciation and extraordinary item	$(35,961)	$ 690
Charges not affecting working capital -		
Depreciation	34,724	26,087
Amortization of promissory note discount and issue costs	639	43
Loss on retirement of fixed assets	483	834
Provision for self-insurance	-	500
Increase in accrued sick leave liability	1,388	685
	1,273	28,839
Proceeds on sale of fixed assets	200	1,375
Decrease in self-insurance fund assets	1,153	-
Decrease in sinking fund assets	-	15,635
Proceeds from promissory note issue	-	19,939
	2,626	65,788
Working capital applied to:		
Fixed asset additions	26,804	74,376
Increase in accrued sick leave liability fund assets	1,387	685
Payments to Province from sinking fund	446	5,214
Retirement of long-term debt	-	11,927
Increase in self-insurance fund assets	-	500
Debt issue costs	-	193
	28,637	92,895
Decrease in working capital	26,011	27,107
Working capital (deficiency) at beginning of year	(11,495)	15,612
Working capital deficiency at end of year	$ 37,506	$ 11,495
Working capital deficiency comprises:		
Current assets	$ 14,943	$ 29,021
Current liabilities	52,449	40,516
	$ 37,506	$ 11,495

BRITISH COLUMBIA
FERRY CORPORATION

STATEMENT OF ACCOUNTING POLICIES

YEAR ENDED MARCH 31, 1983

In accordance with Section 8(7) of the Ferry Corporation Act the financial statements of the Corporation are prepared in accordance with generally accepted accounting principles. Significant accounting policies followed in the preparation of these financial statements are:

Inventories -

Inventories are valued at the lower of cost and current replacement cost.

Long-Term Disability -

Amounts paid to the Superannuation Branch of the Public Service Commission under the Long-Term Disability Plan are accounted for by the Corporation on the basis of accruing in the financial statements that portion estimated by the Corporation to be payable to employees over a two-year period of individual disability with the balance of the amounts paid being included in prepaid expenses.

Fixed assets -

Acquired from the Province of British Columbia effective January 1, 1977:

(a) Ships

Ships, which comprise part of the total assets acquired from the Province effective January 1, 1977 by Order-In-Council dated December 16, 1976 and transferred at an assigned value of $1, have been revalued by the Corporation and are reflected in the accompanying financial statements at their estimated depreciated replacement value as at January 1, 1977 on the basis of construction records for labour and materials valued at 1977 cost exclusive of any federal ship building subsidies which may have been available during the extended period of years during which the individual ships were built and during which such subsidies fluctuated substantially. The estimated depreciated replacement value of the ships at January 1, 1977 is not intended to reflect fair market value of the fleet nor can it be considered to approximate fair market value because of the specialized nature and limited saleability of the ships themselves.

Fixed Assets - (continued)

In addition, three ships presently under charter by the Province until 1994 are subchartered to the Corporation for the same period at an annual cost of $1 each, with the Corporation being responsible for all operating, repair, and maintenance costs. Under the terms of the subcharter agreement with the Province, the Corporation may in 1994 request that the Province exercise its option to purchase these ships at its own expense in accordance with the terms of its charter agreement. In the event that such option is exercised, clear title to the ships will be transferred to the Corporation. As a result of these transactions and agreements, these ships are reflected as capital assets of the Corporation in the accompanying financial statements and are similarly stated at their estimated depreciated replacement value as at January 1, 1977.

(b) Berths, buildings and equipment

Berths, buildings and equipment also comprise part of the total assets acquired from the Province effective January 1, 1977 by Order-In-Council dated December 16, 1976 and transferred at an assigned value of $1.

These assets are reflected in the accompanying financial statements at their estimated depreciated replacement value as at January 1, 1977 based upon an appraisal made by Universal Appraisal Company Limited as at that date.

Additions and disposals subsequent to January 1, 1977:

The costs of major replacements, additions, extensions and improvements are capitalized in the fixed asset accounts. The costs of maintenance, repairs, minor renewals or replacements are charged against income. On retirement or disposal of fixed assets, the costs thereof and the related accumulated depreciation are eliminated from the accounts and any gains or losses are reflected in the statement of operations.

Depreciation -

Fixed assets are depreciated on the straight line method based upon the following useful lives:

Ships	25 years
Berths	5 - 10 years
Buildings and equipment	4 - 25 years

Effective April 1, 1983 the estimated useful lives of ships has been extended from 25 years each to between 25 and 50 years.

Self-insurance fund -

To March 31, 1982 the Corporation provided for uninsured losses up to the deductible amount of purchased insurance on ships. Effective April 1, 1982 the provision was discontinued.

Accrued sick leave liability -

Funds reserved to meet the obligations under the plan, as described in Note 9, are invested in short-term commercial security. Interest earned on these investments accrues to and payments to employees under the plan are charged against the accrued sick leave liability account.

Amortization of Promissory note discount and issue costs -

Promissory note discount is amortized on a compound interest method over the term of the debt. Issue costs are amortized on a straight-line basis over the term of the debt.

Sinking Fund -

On February 11, 1982 the Ferry Corporation Act was amended vesting any surplus remaining in the Sinking Fund to the Province of British Columbia after the discharge of Long-Term Liabilities outstanding at date of incorporation. Accordingly interest and exchange transactions in the Fund are eliminated from the Corporation's accounts.

NOTES TO FINANCIAL STATEMENTS

MARCH 31, 1983

1. CASH AND SHORT-TERM INVESTMENTS

Funds, other than those required for immediate settlement of liabilities, are invested in short-term commercial securities authorized pursuant to the terms and provisions of the Revenue Act of British Columbia. The investments are arranged through the Ministry of Finance of the Province.

2. ACCOUNTS RECEIVABLE

An accounts receivable of $1,950,619 due from the British Columbia Steamship Company (1975) Ltd. for the lease and modifications to the Lessee's specifications of the M.V. "Queen of Prince Rupert" in 1980 has been written off against income as an extraordinary item.

3. INVENTORIES

	1983	1982
	(expressed in thousands)	
Spare components, parts and supplies	$ 6,026	$ 5,953
Fuel and lubricants	2,031	2,200
Goods for resale and catering supplies	453	498
	$ 8,510	$ 8,651

4. PREPAYMENTS AND DEPOSITS

Prepayments include $1,897,000 held by the Province in excess of the amount estimated by the Corporation for the payment of benefits to employees disabled as of March 31, 1983.

5. RESERVED FUNDS

The Corporation has segregated assets that are required for specific purposes or as required by statute.

	1983	1982
	(expressed in thousands)	
Fund for accrued sick leave liability (Note 9)		
Accrued interest	$ 3	$ 54
Due to general operating funds	-	(6)
Investment	5,677	4,244
	5,680	4,292
Self-insurance fund investment	-	1,153
	$ 5,680	$ 5,445

Funds reserved with respect to the accrued sick leave liability provisions are held in short-term commercial security investment.

6. FIXED ASSETS

	1983			1982
	(expressed in thousands)			
	Cost or Appraised Value	Accumulated Depreciation	Net Book Value	Net Book Value
Ships owned	$ 274,617	$ 75,872	$ 198,745	$ 170,787
Ships under capital lease	63,051	16,586	46,465	49,103
Berths, buildings and equipment	110,607	51,801	58,806	45,981
Land	723	-	723	723
Construction in progress	10,008	-	10,008	56,757
	$ 459,006	$ 144,259	$ 314,747	$ 323,351

7. NOTES PAYABLE

	1983	1982
	(expressed in thousands)	
9.70% Promissory notes due August 26, 1983	$ 30,000	$ -

The Province of British Columbia unconditionally guarantees the payment of principal and interest on the Promissory notes.

8. LONG-TERM DEBT

	1983	1982
	(expressed in thousands)	
Long-term debt issued by the Corporation		
8.95% Promissory notes (effective rate of 15.75%), are repayable in five equal annual instalments of $5.7 million commencing March 5, 1988	$ 28,500	$ 28,500
Less unamortized discount and issue costs	8,072	8,711
	20,428	19,789
Long-term debt assumed from the British Columbia Ferry Authority	-	11,927
Less amounts due within one year	-	11,927
	-	-
	$ 20,428	$ 19,789

The Province of British Columbia unconditionally guarantees the payment of principal and interest on the promissory notes.

9. ACCRUED SICK LEAVE LIABILITY

On September 1, 1978 the Corporation introduced short-term illness and injury and long-term disability plans and as of that date all employees ceased accruing sick leave credits. Under the collective agreement with the employees, in the event of illness, the accumulated sick time may be withdrawn prior to retirement and on retirement any balance remaining is payable in cash at 50% of accredited time. The liability as at March 31, 1982 based upon a recent actuarial evaluation by William M. Mercer Limited established the present lump sum value of cash payouts on retirement to all employees at $5,144,000 which, with interest will accumulate an amount required to meet those obligations. Funds reserved for liquidation of this liability are invested in short-term commercial security.

10. OTHER INCOME (EXPENSE)

	1983	1982
	(expressed in thousands)	
Parking and ancilliary traffic revenue	$ 734	$ 739
Interest earned on funds in bank and short-term investments	288	1,104
Grant of right-of-way to B.C. Hydro	300	-
Sinking fund investment income net of interest expense and foreign exchange loss	-	1,952
Self insurance provision for uninsured losses	-	(500)
	$ 1,322	$ 3,295

11. PROVINCIAL SUBSIDY AND BENEFITS

To March 31, 1982 the amount of the subsidy received by the Corporation from the Province of British Columbia was substantially equivalent to the aggregate of the annual cost of maintaining, and the annual amortization of the capital cost of, a two-lane highway built through difficult terrain in the coastal region and of a length equal to that of the ferry routes operated by the Corporation. On September 2, 1982 the Ferry Corporation act was amended and effective April 1, 1982 the amount of subsidy to be received from the Province of British Columbia will be determined annually. For the year ending March 31, 1983 the subsidy is $43,000,000.

11. PROVINCIAL SUBSIDY AND BENEFITS Cont'd.

Included in fixed assets as "ships under capital lease" are three ships leased from the Province at an annual cost of $1 each. The annual cost of these charters to the Province is $4,819,800. In addition the Corporation utilizes Crown land for terminals and highway access without rental or property taxes. The value of these benefits is indeterminable. The Corporation, as an agent of the Crown, is not liable to taxation, including taxation on improvements, except insofar as the Crown is liable.

The Corporation utilizes Ministries and Agencies of the Provincial Government for negotiation and purchase of fuel, materials, communications and terminal maintenance and construction services. The aggregate of these transactions is $54.3 million.

12. INTEREST EXPENSE

	1983	1982
	(expressed in thousands)	
Interest expense, amortization of promissory note discount and amortization of debt issue cost on:		
- long term debt	$ 3,209	$ 150
- current borrowings	1,864	743
	$ 5,073	$ 893

13. COMMITMENTS

The Corporation is contractually committed to complete the modification of sponsons and the propulsion system of the M.V. "Queen of Vancouver" and M.V. "Queen of Victoria". Also the Corporation is committed to the doubledecking of two berths at Horseshoe Bay terminal. The total estimated cost of these capital projects is $13.7 million and as at March 31, 1983 the estimated remaining cost to complete these commitments is $4.4 million.

Not included in the accounts is a lease commitment of $5.4 million which is fully recoverable through a non-cancellable sub-lease with the Ministry of Transportation and Highways for British Columbia.

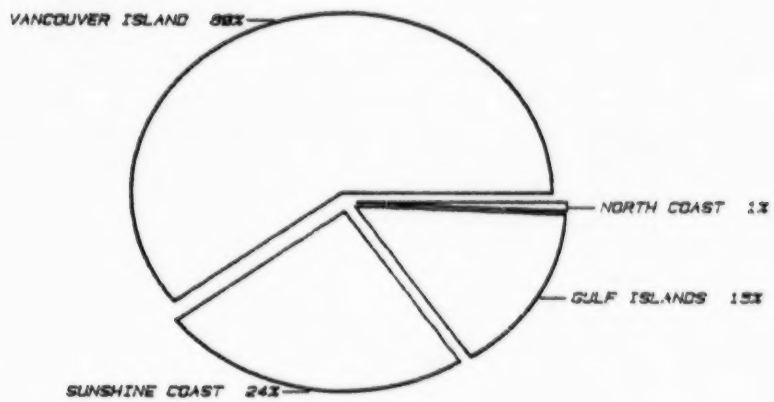
14. COMPARATIVE FIGURES

Certain comparative figures for the previous year have been reclassified to conform with the March 31, 1983 financial statement presentation.

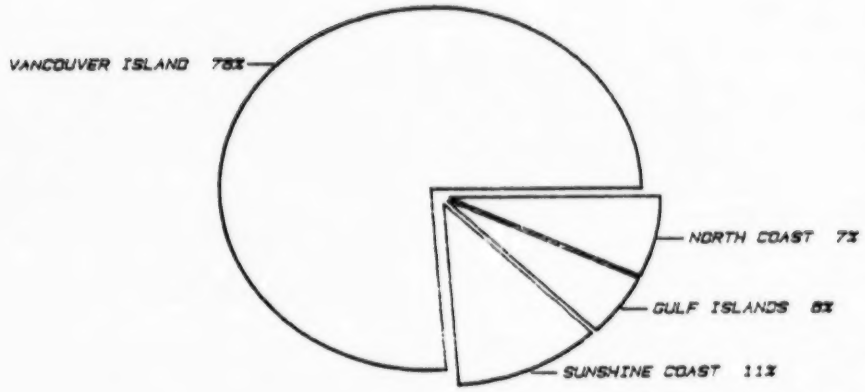
15. SUBSEQUENT EVENTS

Effective April 1, 1983 the estimated useful life of ships has been extended from 25 years each to between 25 and 50 years. This change will reduce the annual depreciation charge against operations from $39.3 million to $19.5 million.

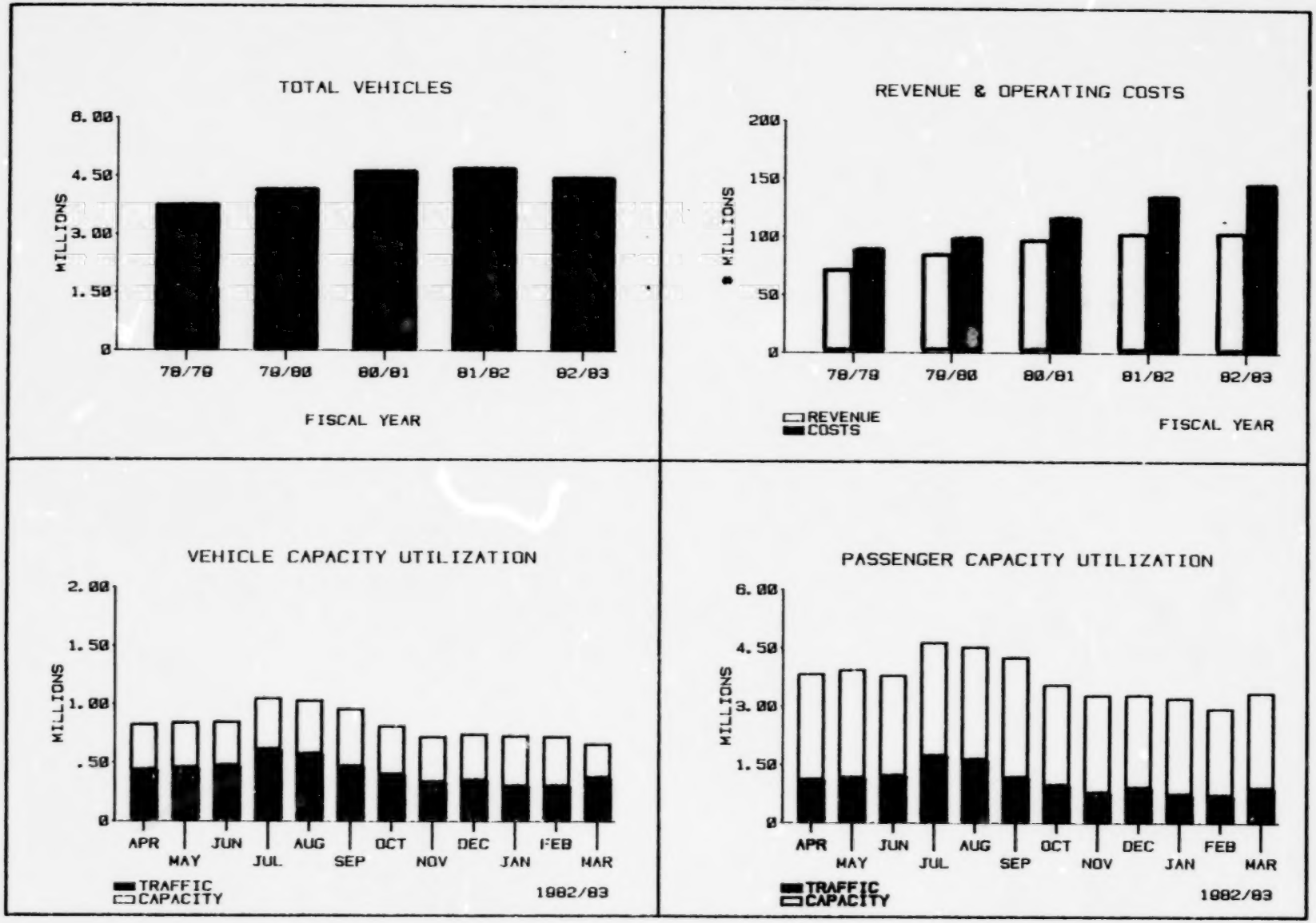
TOTAL VEHICLES 1982/83



TOTAL REVENUE 1982/83



ALL ROUTES


TOTAL VEHICLES
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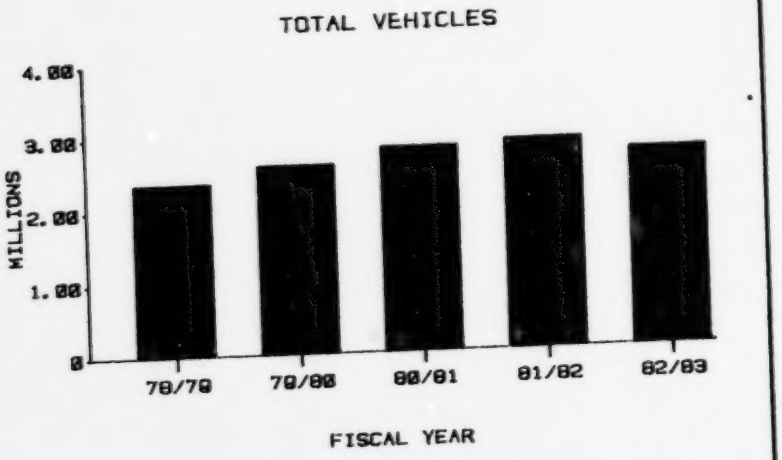
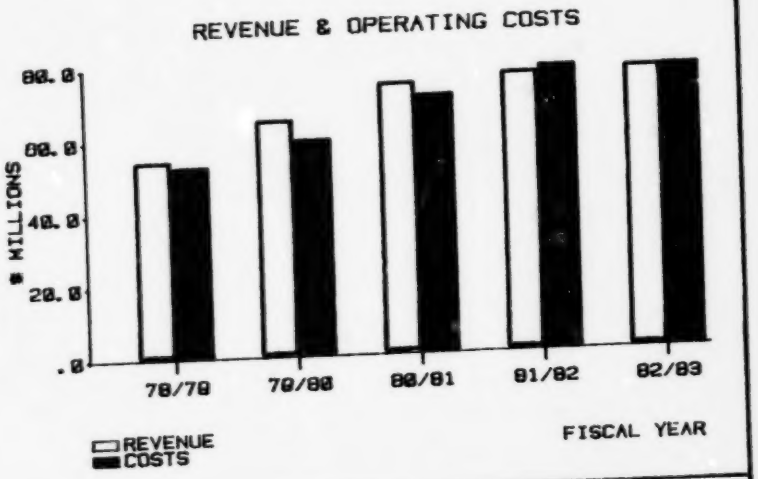
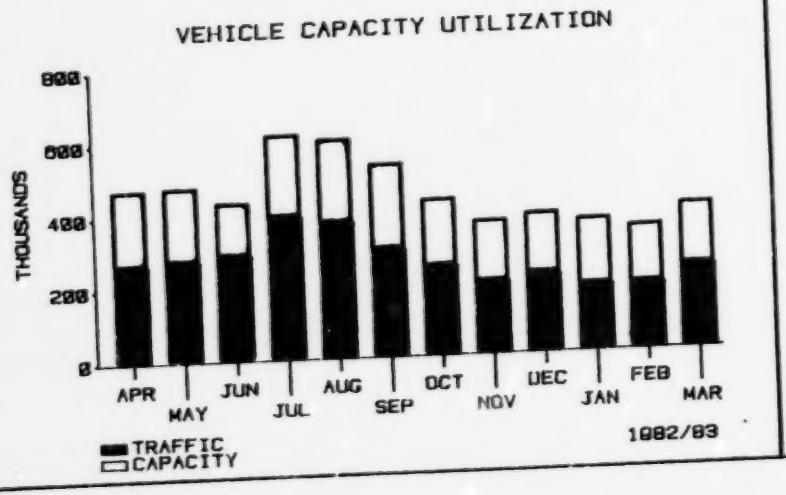
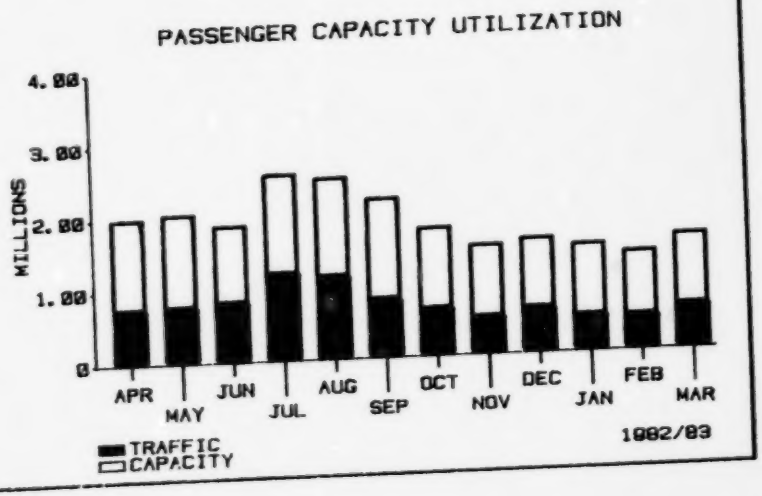
4.50
3.00
1.50
0
MILLIONS
78/79
79/80
80/81
81/82
82/83
FISCAL YEAR
REVENUE & OPERATING COSTS
200
150
100
50
0
MILLIONS
78/79
79/80
80/81
81/82
82/83
REVENUE
COSTS
FISCAL YEAR
VEHICLE CAPACITY UTILIZATION
2.00
1.50
1.00
.50
0
MILLIONS
APR
MAY
JUN
JUL
AUG
SEP
OCT
NOV
DEC
JAN
FEB
MAR
TRAFFIC
CAPACITY
1982/83
PASSENGER CAPACITY UTILIZATION
6.00
4.50
3.00
1.50
0
MILLIONS
APR
MAY
JUN
JUL
AUG
SEP
OCT
NOV
DEC
JAN
FEB
MAR
TRAFFIC
CAPACITY
1982/83

VANCOUVER ISLAND

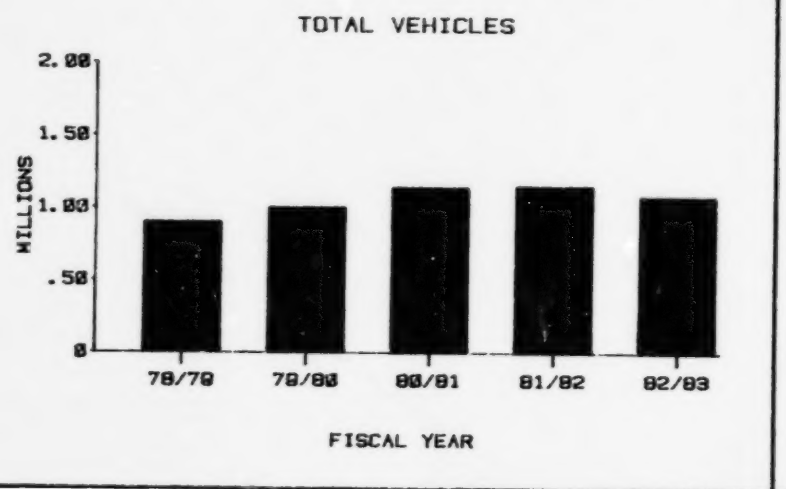


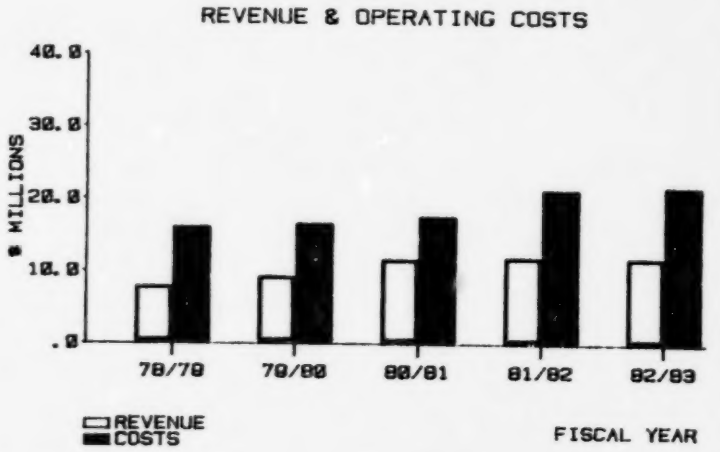


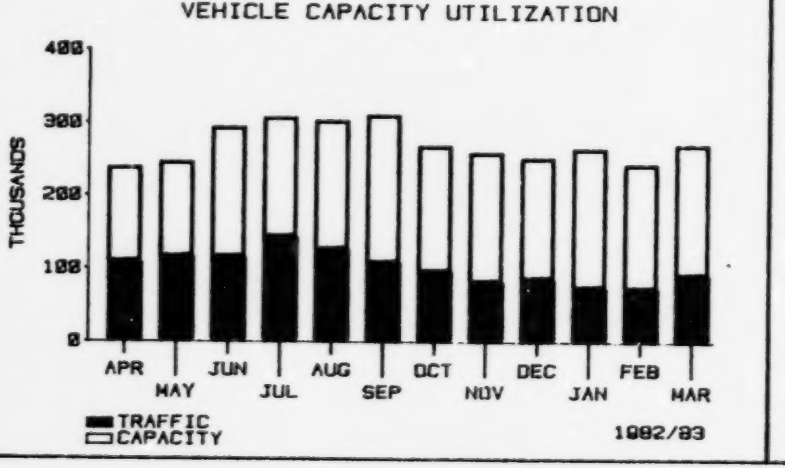


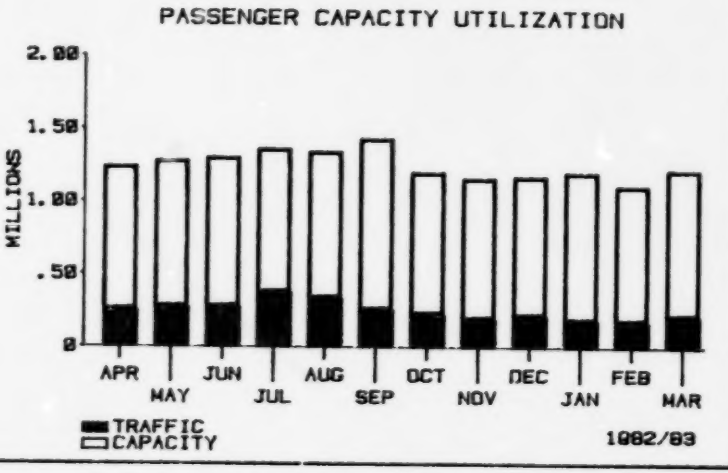


SUNSHINE COAST

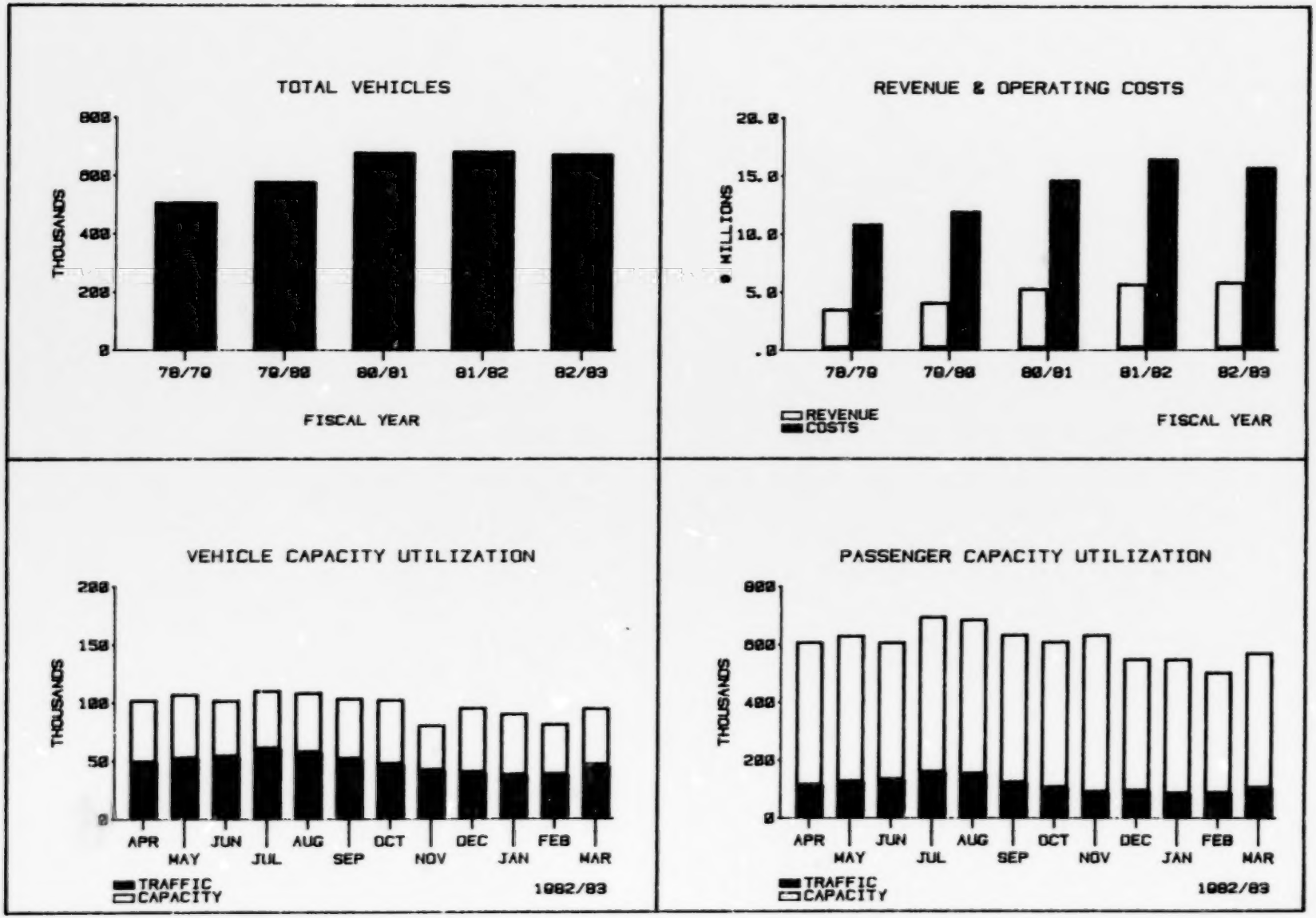




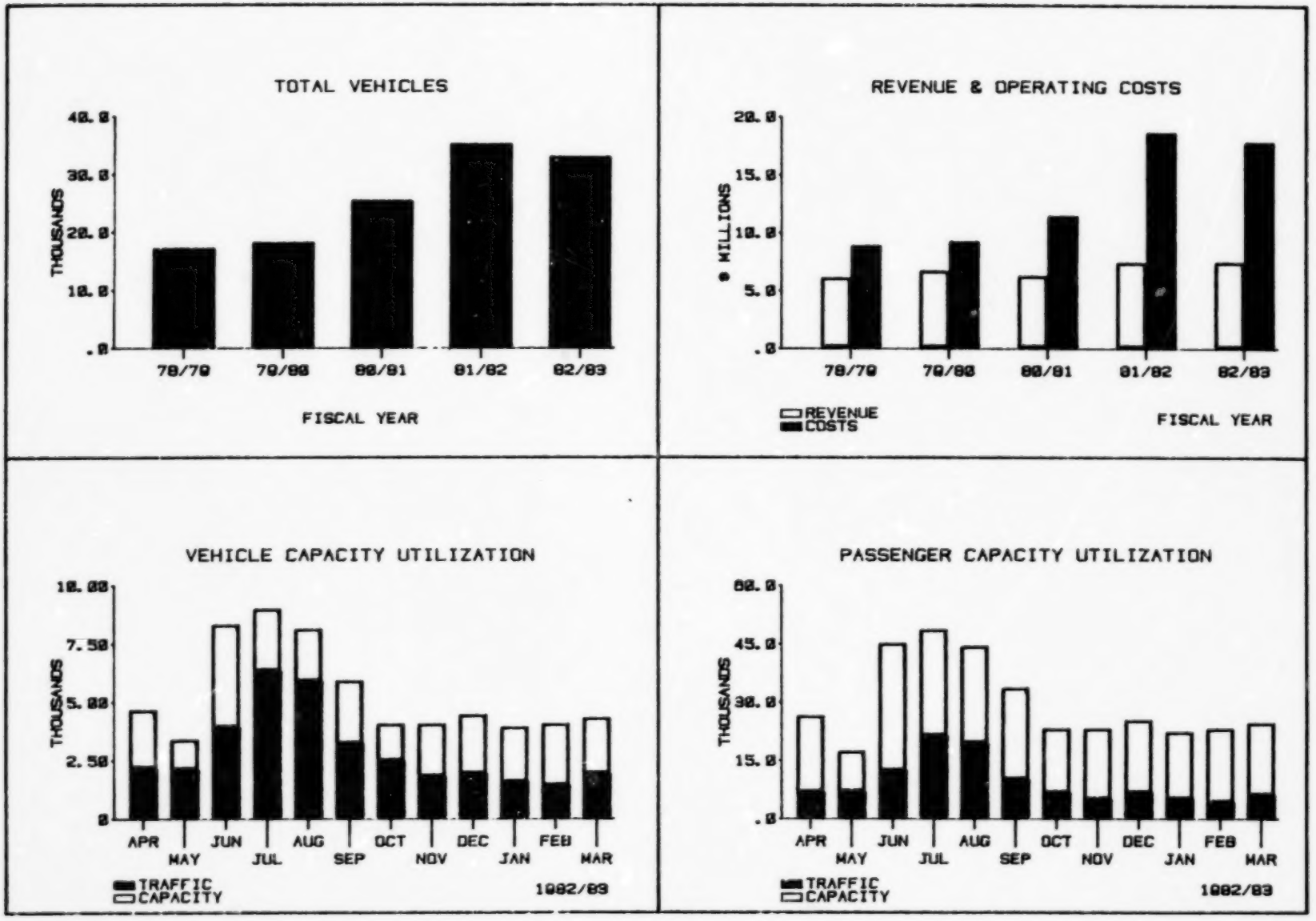




GULF ISLANDS



NORTH COAST


TOTAL VEHICLES
40.0
30.0
20.0
10.0
.0
THOUSANDS
78/79
79/80
80/81
81/82
82/83
FISCAL YEAR
REVENUE & OPERATING COSTS
20.0
15.0
10.0
5.0
.0
$ MILLIONS
78/79
79/80
80/81
81/82
82/83
REVENUE
COSTS
FISCAL YEAR
VEHICLE CAPACITY UTILIZATION
10.00
7.50
5.00
2.50
0
THOUSANDS
APR
MAY
JUN
JUL
AUG
SEP
OCT
NOV
DEC
JAN
FEB
MAR
TRAFFIC
CAPACITY
1982/83
PASSENGER CAPACITY UTILIZATION
60.0
45.0
30.0
15.0
.0
THOUSANDS
APR
MAY
JUN
JUL
AUG
SEP
OCT
NOV
DEC
JAN
FEB
MAR
TRAFFIC
CAPACITY
1982/83

BRITISH COLUMBIA
FERRY CORPORATION

BRITISH COLUMBIA FERRY CORPORATION

S T A T I S T I C S

YEAR END	PASSENGERS	VEHICLES
March 31, 1962	2,040,000	697,000
March 31, 1963	2,665,000	895,000
March 31, 1964	3,180,000	1,034,000
March 31, 1965	3,300,000	1,185,000
March 31, 1966	4,000,000	1,333,000
March 31, 1967	4,477,000	1,516,000
March 31, 1968	4,361,000	1,530,000
March 31, 1969	4,774,000	1,733,000
March 31, 1970	5,671,000	2,102,000
March 31, 1971	5,963,511	2,228,412
March 31, 1972	6,771,837	2,552,505
March 31, 1973	7,629,385	2,824,964
March 31, 1974	8,538,297	3,169,582
March 31, 1975	9,612,501	3,558,234
March 31, 1976	9,912,738	3,760,099
March 31, 1977	8,383,502	3,044,167
March 31, 1978	9,018,976	3,258,017
March 31, 1979	10,399,203	3,758,628
March 31, 1980	11,423,405	4,161,302
March 31, 1981	12,512,898	4,625,917
March 31, 1982	12,763,664	4,712,951
March 31, 1983	12,275,466	4,462,731

STATISTICAL REVIEW

Year Ended March 31

(expressed in thousands)

	1983	1982	1981	1980	1979	1978
Financial						
Operating Revenue - Gross	$110,689	$112,199	$99,552	$82,867	$72,520	$59,709
Operating Expense	139,013	133,856	104,956	88,695	80,933	77,810
Operating Loss before Subsidy	37,213	31,221	14,261	13,667	14,853	23,109
Subsidy	43,000	58,891	53,106	49,447	46,564	43,559
Cash Flow from Operations	1,273	28,839	40,611	37,606	32,727	23,571
Depreciation and Amortization	34,724	26,087	22,148	20,271	19,354	18,778
Interest on Debt	5,073	893	779	880	965	1,216
Working Capital (Deficiency)	(37,506)	(11,495)	15,612	21,878	24,792	21,920
Additions to Property	26,804	74,376	44,919	39,369	26,032	4,663
Total Assets	335,370	357,817	334,696	312,048	296,335	288,168
Long-term Debt	20,428	31,716	13,764	15,513	17,178	18,765
Operating						
Traffic - Passengers	12,275	12,764	12,513	11,423	10,399	9,019
Traffic - Vehicles	4,463	4,713	4,626	4,161	3,759	3,258
Miles - Passengers	278,975	339,395	334,078	314,844	272,693	240,522
Miles - Vehicles	97,020	118,633	116,318	106,735	93,829	82,319
Utilization - Passengers	27.4%	26.4%	28.1%	25.5%	24.6%	23.1%
Utilization - Vehicles	49.8%	48.2%	59.8%	57.3%	55.4%	50.6%

Note: First fiscal period, consisting of three months, ended March 31, 1977, is not comparable and therefore not reflected.

BRITISH COLUMBIA
FERRY CORPORATION

CORPORATE INFORMATION

HEAD OFFICE

818 Broughton Street,
Victoria, B.C.
V8W 1E4

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Vancouver, B.C.
V6Z 2A9

AUDITORS

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707 Fort Street,
Victoria, B.C.
V8W 3G3

CORPORATE COUNSEL

Ladner Downs,
2100 Pacific Centre South,
700 W. Georgia Street,
Vancouver, B.C.,
V7Y 1A8.

BANKERS

Bank of Nova Scotia,
Victoria, B.C.

Canadian Imperial Bank of Commerce,
Victoria, B.C.

BRITISH COLUMBIA
FERRY CORPORATION

SHIPS

	Year Built	Overall Length	Gross Tons	Brake Horsepower	Capacity Autos	Capacity Psgrs (Licensed)
Jumbo Ships						
Alberni, Queen of	1976	457	5,279	11,860	145	450
Cowichan, Queen of	1976	457	6,551	11,860	362	1,466
Coquitlam, Queen of	1976	457	6,551	11,860	362	1,466
Oak Bay, Queen of	1981	457	6,969	11,860	362	1,465
Surrey, Queen of	1981	457	6,969	11,860	362	1,465
Lifted Ships						
Esquimalt, Queen of	1963	426	5,430	8,000	376	1,360
Saanich, Queen of	1963	426	5,430	8,000	376	1,360
Vancouver, Queen of	1962	426	5,430	9,000	258	1,360
Victoria, Queen of	1962	426	5,430	9,000	258	1,360
Stretched Ships						
Burnaby, Queen of	1965	426	4,903	6,000	192	987
Nanaimo, Queen of	1964	426	4,939	6,000	192	987
New Westminster, Queen of	1964	426	4,904	6,000	192	987
Northern Ships						
Prince Rupert, Queen of	1966	332	5,864	8,560	80	458
North, Queen of the	1960	410	8,807	15,600	157	482
Major Ships						
Sidney, Queen of	1960	336	3,128	6,000	138	989
Tsawwassen, Queen of	1960	336	3,127	6,000	138	989
Minor Ships						
Bowen Queen	1965	279	1,476	3,560	70	390
Mayne Queen	1965	279	1,476	3,560	70	340
Powell River Queen	1965	279	1,486	3,560	70	400
Howe Sound Queen	1964	241	795	1,156	70	330
Islands, Queen of the	1963	236	1,717	4,000	40	483
Mill Bay	1956	120	175	152	16	168
Salt Spring Queen	1949	145	276	480	30	187
Vesuvius Queen	1950	150	277	480	32	177
Dogwood Princess II	1979	42	21	200	-	38

BRITISH COLUMBIA
FERRY CORPORATION

ROUTES

No.	Between
1	Tsawwassen - Swartz Bay
2	Horseshoe Bay - Departure Bay
3	Horseshoe Bay - Langdale
4	Swartz Bay - Fulford Harbour, Saltspring Island
5	Swartz Bay - Gulf Islands
6	Vesuvius Bay, Saltspring Island -Crofton
7	Saltery Bay - Earls Cove
8	Horseshoe Bay - Snug Cove, Bowen Island
9	Tsawwassen - Gulf Islands
10	Tsawwassen - Port Hardy - Bella Bella - Ocean Falls - Prince Rupert
11	Prince Rupert - Skidegate, Queen Charlotte Islands
12	Mill Bay - Brentwood Bay
13	Langdale - Gambier Island - Keats Island
14	Prince Rupert - Masset, Queen Charlotte Islands *
15	Prince Rupert - Kincolith *
16	Prince Rupert - Port Simpson *
51	Tofino - Ahousat - Hot Springs Cove *
53	Gold River - Tahsis - Zeballos - Kyuquot *
54	Ocean Falls *

* Service provided by independent operators under charter agreements.

POOR

QUALITY

ORIGINAL